LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **MARCH 13, 2007**, upon the application of **CHESAPEAKE OPERATING**, **INC**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Brown-Ozley Reservoir; the Hosston B Zone, Reservoir B; the Conville Sand, Reservoir D; the Hodge-Hunt Sand, Reservoir B, the Bain Sand, Reservoir E; the Hosston Formation, Reservoir A; and the Cotton Valley Formation, Reservoir C; in the Bear Creek Field, Bienville Parish, Louisiana.

BROWN-OZLEY RESERVOIR AND HOSSTON B ZONE, RESERVOIR B

- 1. To dissolve the units designated BR-OZ SUN and BR-OZ SUO, created for the Brown-Ozley Reservoir by Office of Conservation Order No. 78-12, effective July 6, 1950.
- 2. To dissolve the unit designated HOSS B RB SUC, created for the Hosston B Zone, Reservoir B, by Office of Conservation Order No. 78-Q-15, effective April 6, 1988.

The Brown-Ozley Reservoir, was defined in Office of Conservation Order No. 78-A, effective September 11, 1945, and designated as the Brown Sand Reservoir, and was redesignated as the Brown-Ozley Reservoir in Office of Conservation Order No. 78-D, effective February 20, 1952.

The Hosston B Zone, Reservoir B, was defined in Office of Conservation Order No. 78-Q-10, effective December 9, 1986.

CONVILLE SAND, RESERVOIR D; HODGE-HUNT SAND, RESERVOIR B; BAIN SAND, RESERVOIR E; HOSSTON FORMATION, RESERVOIR A; AND COTTON VALLEY FORMATION, RESERVOIR C

- 1. To establish rules and regulations governing the exploration for and production of gas and condensate from each of these sands and formations.
- 2. To create two (2) drilling and production units for the exploration for and production of gas and condensate from each of these sands and formations, being designated CON RD SUA and CON RD SUB; H-H RB SUA and H-H RB SUB; BAIN RE SUA and BAIN RE SUB; HOSS RA SUA and HOSS RA SUB; and CV RC SUA and CV RC SUB.
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation
- 4. To designate an operator of, and unit wells for, the proposed units as may be appropriate.
- 5. To propose that future wells drilled to these sands and formations within or outside of the units proposed herein be located in accordance with the spacing provisions of Statewide Order No. 29-E.
- 6. To permit applicant to combine downhole production from CON RD SUA, H-H RB SUA, HOSS RA SUA and CV RC SUA, or any combination thereof, in any well drilled on these proposed identical units in which the interests of the parties is identical in production from each unit to be combined downhole.
- 7. To permit applicant to combine downhole production from BAIN RE SUB, HOSS RA SUB and CV RC SUB, or any combination thereof, in any well drilled on these proposed identical units in which the interest of the parties is identical in production from each unit to be combined downhole.

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BEAR CREEK FIELD 07-176 thru 07-182

8. To define the Conville Sand, Reservoir D, as the stratigraphic equivalent of that sand encountered between the measured depths of 7,310' and 7,338' in the El Paso (formerly Southern Natural Gas) - Conville No. 1 Well, located in Section 5, Township 16 North, Range 5 West, Bienville Parish, Louisiana.

- 9. To define the Hodge-Hunt Sand, Reservoir B, as the stratigraphic equivalent of that sand encountered between the measured depths of 7,726' and 7,738' in the Broyles & Holloway-Continental Can No. 1 Well, located in Section 8, Township 16 North, Range 5 West, Bienville Parish, Louisiana.
- 10. To define the Bain Sand, Reservoir E, as the stratigraphic equivalent of that sand encountered between the measured depths of 7,728' and 7,748' in the El Paso (formerly Franks, Holloway et al)-Bain No. 1 Well, located in Section 11, Township 16 North, Range 5 West, Bienville Parish, Louisiana.
- 11. To define the Hosston Formation, Reservoir A, as the stratigraphic equivalent of that interval encountered between the measured depths of 7,356' and 10,637' in the J-W Operating Company-Harrison 23 No. 1 Well, located in Section 23, Township 16 North, Range 5 West, Bienville Parish, Louisiana, less and except the Conville Sand, Reservoir D, the Hodge-Hunt Sand, Reservoir B, and the Bain Sand, Reservoir E, as defined above.
- 12. To define the Cotton Valley Formation, Reservoir C, as the stratigraphic equivalent of that interval encountered between the measured depths of 10,637 feet and 12,858 feet in the J-W Operating Company-Harrison 23 No. 1 Well, located in Section 23, Township 16 North, Range 5 West, Bienville Parish, Louisiana.
- 13. To consider such other matters as may be pertinent.

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, LA 2/1/07;2/6/07 L lck

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.